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ANNUAL REPORT
of the
DETROIT AND MACKINAC
RAILWAY COMPANY

FOR THE FISCAL YEAR ENDING DECEMBER 31st

1932

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DETROIT AND MACKINAC RAILWAY COMPANY

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

HENRY K. McHARG	<i>Ridgefield</i> Bridgeport, Conn.
DAVID H. PIERSON	Elizabeth, N. J.
JAMES BROWN MABON	New York, N. Y.
JAMES McNEIL	New York, N. Y.
EDWIN G. MERRILL	New York, N. Y.

OFFICERS

HENRY K. McHARG, <i>President</i>	Ridgefield, Conn.
JOHN McCRAY, <i>Vice-President</i>	Tawas City, Michigan
JAMES McNEIL <i>Secretary and Treasurer</i>	New York, N. Y.
P. RICHARDSON, <i>Asst. Treas., Asst. Secy. and Purchasing Agent</i>	Tawas City, Michigan
JOHN McCRAY, <i>Auditor</i>	Tawas City, Michigan
C. A. PINKERTON, <i>General Superintendent</i>	Tawas City, Michigan
A. S. MATTESON, <i>Traffic Manager</i>	Alpena, Michigan
CARL R. HENRY, <i>General Counsel</i>	Alpena, Michigan
L. O. PETTYES, <i>Chief Engineer</i>	Tawas City, Michigan

FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company	New York, N. Y.
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REGISTRAR OF STOCK

Central Hanover Bank and Trust Company	New York, N. Y.
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ANNUAL MEETING

The last Tuesday in April in each year is the date for Annual Meeting of Stockholders.

General Office (In Michigan)	Tawas City, Michigan
General Office (Outside of Michigan)	110 William Street, New York, N. Y.

COLEGROVE, MURPHY & ANGELL
CERTIFIED PUBLIC ACCOUNTANTS
LAFAYETTE BUILDING
DETROIT

ALBERT M. COLEGROVE, C. P. A.
HARRY L. MURPHY, C. P. A.
C. ROBERT ANGELL, C. P. A.
W. ALFRED DEBO, ATTORNEY

February 23, 1933.

Mr. John McCray,
Auditor,
Detroit and Mackinac Railway Company,
Tawas City, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1932, and herewith present statements showing the result of the operation of your company for the period under review.

We certify that, according to the books and records, the attached Balance Sheet reflects the true financial condition of your company as at December 31, 1932, and the accompanying schedules are a correct expression of the results of your operations for the year ended on that date

Respectfully,

COLEGROVE, MURPHY AND ANGELL,

By Harry L. Murphy,
Certified Public Accountant.

REPORT OF THE
PRESIDENT TO THE STOCK AND BONDHOLDERS
OF THE
DETROIT AND MACKINAC RAILWAY COMPANY

New York, N. Y., February 25, 1933.

To the Stock and Bondholders of the Detroit and Mackinac Railway Company:

Conditions existing regarding your Railway with continued decrease in earnings and continued high taxes are placing your property and its capital structure in danger.

As the figures given in this report show, our net earnings lack \$16,000 of being sufficient to pay our fixed charges, although we paid \$25,000, received from the Emergency Charge, to the Railroad Credit Corporation. All this, however, was accomplished with the loyalty of our officials and men in reducing their compensation, closing for a considerable time our shops and in economy of every kind of operation which cannot continue indefinitely.

The change in the Company's Capital structure can be accomplished by a forced Receivership or a plan which seems equitable to the various securities which will require a voluntary adoption of the plan.

The first plan, Receivership, from my knowledge means at least an expensive management, foreclosure by the trustee, (in our case the Guarantee Trust Co.), compensation for them, also their lawyers, a Bondholders' Committee appointed who make their own compensation with very little work but very large pay and more lawyers for them. Probably in the end, Bankers must be included who will have the last morsel of the corpse that is left. For these reasons I believe the second plan will be best.

Your present Directors are well known, have all held responsible positions and I think, therefore, can be trusted to prepare a plan which seems equitable, and if the occasion should arise, I propose such action and trust it will meet with your approval and cooperation. Otherwise, an appointment of a Receiver by the Court will be inevitable.

At the present writing of these remarks, no decision has been handed down by the Supreme Court in the Gravel Case.

The usual tables for your information follow.

Sincerely yours,

HENRY K. McHARG,
President.

DETROIT AND MACKINAC RAILWAY COMPANY

OFFICE OF AUDITOR

Tawas City, Mich., Feb. 24, 1933.

HENRY K. McHARG, ESQ.,
President

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ending December 31st, 1932, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Earnings and Expenses by years.

TABLE F—Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1931 and 1932.

TABLE I—Statistics for years 1931 and 1932.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs taken up and built during year.

Respectfully,

JOHN McCRAY,

Auditor.

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1932, AND COMPARISON WITH
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1931, SHOWING INCREASE OR DECREASE

ASSETS		Total	Increase	Decrease
	Items			
<i>Investments:</i>		\$7,341,709.61		\$ 1,350.53
	Investment in Road and Equipment.....	\$7,295,198.62		
	Miscellaneous Physical Property	23,495.23	\$ 5,452.97	
	Investments in Affiliated Companies.....	23,015.76	23,015.76	
<i>Current Assets:</i>		220,082.19		16,677.86
	Cash	16,713.95		
	Special Deposits—J. P. Morgan Coupon Account.....	1,640.00	240.00	
	Traffic and Car Service Balances Receivable.....	10,742.53	4,183.07	
	Net Balances Receivable from Agents and Conductors	3,367.32	127.59	
	Miscellaneous Accounts Receivable	19,870.52		779.84
	Material and Supplies	167,663.23		27,333.62
	Other Current Assets	84.64	84.64	
<i>Deferred Assets:</i>		567.54		
	Working Fund Advances			
<i>Unadjusted Debits:</i>		5,248.32		1,876.21
	Insurance Premiums Paid in Advance.....			958.67
	Other Unadjusted Debits			
	Total.....	\$7,567,607.66		\$ 15,872.70

TABLE A—(Continued)

LIABILITIES

	Items	Total	Increase	Decrease
<i>Capital Stock:</i>		\$2,950,000.00		
Common Stock	\$2,000,000.00			
Preferred Stock	950,000.00			
<i>Long Term Debt:</i>		2,750,000.00		
First Lien Bonds	1,500,000.00			
Mortgage Bonds	\$1,750,000.00			
Held in Treasury	180,000.00			
	<u>\$1,570,000.00</u>			
Pledged as Collateral	320,000.00			
Outstanding	1,250,000.00	259,778.21	\$20,000.00	\$12,276.41
<i>Current Liabilities:</i>				7,289.47
Loans and Bills Payable	160,000.00			1,504.76
Traffic and Car Service Balances Payable	30,410.60			
Audited Accounts and Wages Payable	34,052.29			
Miscellaneous Accounts Payable	3,093.69		19,900.00	
Interest Matured Unpaid	21,300.00			
Unmatured Interest Accrued	9,166.67		1,754.96	
Other Current Liabilities	1,754.96			
<i>Unadjusted Credits:</i>		807,222.05		
Tax Liability	67,956.00			18,756.00
Accrued Depreciation—Road	133,576.04			
Accrued Depreciation—Equipment	599,443.00		11,814.35	
Other Unadjusted Credits	6,247.01			778.53
<i>Corporate Surplus:</i>		800,607.40		
Additions to Property through Income and Surplus	1,856,636.77		1,256.24	
Profit and Loss—Debit Balance	<u>1,056,029.37</u>			29,993.08
Total		<u>\$7,567,607.66</u>		<u>\$ 15,872.70</u>

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT, DECEMBER 31, 1932, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1931

	1932	1931	Increase	Decrease
Freight.....	\$ 639,583.75	\$ 839,619.02		\$200,035.27
Passenger.....	35,248.69	57,547.48		22,298.79
Excess Baggage.....	165.82	658.70		492.88
Mail.....	41,335.02	40,837.37	\$ 497.65	
Express.....	24,502.07	37,367.27		12,865.20
Other Passenger Train.....	2,568.85	2,718.19		149.34
Milk.....	8,402.13	12,203.30		3,801.17
Switching.....	158.40	878.02		719.62
Special Service Train.....	1,326.00	325.00	1,001.00	
Station, Train and Boat Privileges.....	52.07	86.78		34.71
Parcel Room.....	7.00	11.60		4.60
Storage—Freight.....	490.66	571.20		80.54
Storage—Baggage.....	1.20	5.14		3.94
Demurrage.....	876.00	1,817.00		941.00
Telegraph and Telephone.....	1.60		1.60	
Rents of Buildings and Other Property.....	3,854.35	3,868.89		14.54
Miscellaneous.....	1,313.04	2,374.46		1,061.42
Joint Facilities—Cr.....	8.18	2.68	5.50	
Total Operating Revenues.....	\$ 759,894.83	\$1,000,892.10		\$240,997.27
OPERATING EXPENSES				
Maintenance of Way and Structures.....	\$ 136,571.16	\$ 168,940.90		\$ 32,369.74
Maintenance of Equipment.....	121,995.50	170,248.56		48,253.06

TABLE B—(Continued)

	1932	1931	Increase	Decrease
Traffic.....	\$ 15,102.75	\$ 19,084.24		\$ 3,981.49
Transportation—Rail Line.....	284,184.48	326,289.48		42,105.00
General.....	49,117.98	53,122.25		4,004.27
Transportation for Investment—Cr.....	183.87	2,819.17		2,635.30
Total Operating Expenses.....	\$ 606,788.00	\$ 734,866.26		\$128,078.26
Net Operating Revenue.....	153,106.83	266,025.84		112,919.01
Railway Tax Accruals.....	50,001.27	70,731.10		20,729.83
Uncollectible Railway Revenues.....	354.33	229.83	\$ 124.50	
Railway Operating Income.....	\$ 102,751.23	\$ 195,064.91		\$ 92,313.68
Income from Lease of Road.....	† 137.84	† 4,081.16	\$3,943.32	
Miscellaneous Rent Income.....	3.00	9.00		6.00
Miscellaneous Non-operating Physical Property.....	566.04	3,218.79		2,652.75
Income from Unfunded Securities and Accounts.....	178.94	506.49		327.55
Miscellaneous Income.....	1,300.73	1,215.46	85.27	
Equipment Rents.....	3,960.34	† 3,542.41	7,502.75	
Joint Facility Rents.....	† 2,738.30	† 2,718.85		19.45
Total Income.....	\$ 105,884.14	\$ 189,672.23		\$ 83,788.09
Miscellaneous Rents.....	30.00		\$ 30.00	
Miscellaneous Tax Accruals.....	1,298.91	2,924.80		1,625.89
Interest on Funded Debt.....	110,000.00	110,000.00		
Interest on Unfunded Debt.....	8,888.37	10,111.55		1,223.18
Miscellaneous Income Charges.....	1,859.55	1,777.40	82.15	
Income Balance Transferred to Profit and Loss.....	\$* 16,192.69	\$ 64,858.48		\$ 81,051.17

† Debit. * Deficit.

TABLE B—(Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNT

Debit Balance, January 1, 1932.....	\$1,026,036.29	
Debit Balance Transferred from Income.....	16,192.69	
Miscellaneous Credits		\$ 1,362.42
Loss on Retired Road and Equipment.....	6,128.10	
Miscellaneous Debits	9,034.71	
Debit Balance Carried to Balance Sheet.....		1,056,029.37
	<u>\$1,057,391.79</u>	<u>\$1,057,391.79</u>

TABLE C
PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,500,000.00	4 %	June and December	\$ 60,000.00	June 1, 1995
Mort.	1,250,000.00	4 %	June and December	50,000.00	June 1, 1995
	\$2,750,000.00			\$110,000.00	

TABLE D

DETROIT AND MACKINAC RAILWAY COMPANY

COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1930	Dec. 31, 1931	Dec. 31, 1932
Cash.....	\$ 30,519.58	\$ 33,391.81	\$ 16,713.95
Special Funds.....	1,440.00	1,400.00	1,640.00
Due from Station Agents and Others	29,508.43	23,890.09	23,237.84
Material and Supplies.....	219,975.27	194,996.85	167,663.23
Prepaid and Deferred Charges.....	4,853.15	6,322.66	4,446.45
Other Unadjusted Debits.....	87.66	2,328.08	1,454.05
Totals.....	\$ 286,384.09	\$ 262,329.49	\$ 215,155.52
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$ 60,666.66	\$ 41,341.76	\$ 34,052.29
Notes Payable.....	250,625.00	140,000.00	160,000.00
Accrued Taxes, Interest and Traffic Balances	154,300.63	138,004.67	122,939.39
Totals.....	\$ 465,592.29	\$ 319,346.43	\$ 316,991.68
Net Assets.....	\$* 179,208.20	\$* 57,016.94	\$* 101,836.16
CAPITAL ASSETS			
Cost of Road.....	\$6,229,233.68	\$6,219,099.35	\$6,226,281.00
Cost of Equipment.....	1,079,808.31	1,077,449.80	1,068,917.62
Miscellaneous Physical Property.....	199,773.62	18,042.26	23,495.23
Investments in Affiliated Companies			23,015.76
Totals.....	\$7,508,815.61	\$7,314,591.41	\$7,341,709.61
REPRESENTING			
Bonds Issued—First Lien.....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued—Mortgage.....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common.....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred.....	950,000.00	950,000.00	950,000.00
Reserves.....	705,732.11	721,204.69	733,019.04
Other Unadjusted Credits.....	11,373.94	7,025.54	6,247.01
Additions to Property Through Income and Surplus	1,853,854.85	1,855,380.53	1,856,636.77
Surplus.....	† 941,353.49	† 1,026,036.29	† 1,056,029.37
Totals.....	\$7,329,607.41	\$7,257,574.47	\$7,239,873.45

† Deficit. * Credit.

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY

REVENUES AND EXPENSES BY YEARS

REVENUES	1928	Per	1929	Per	1930	Per	1931	Per	1932	Per
	Amount	Cent.	Amount	Cent.	Amount	Cent.	Amount	Cent.	Amount	Cent.
Freight.....	\$1,402,591.09	84.05	\$1,323,361.48	83.42	\$ 887,483.73	81.97	\$ 839,619.02	83.89	\$ 639,583.75	84.16
Passenger.....	142,066.34	8.51	125,169.19	7.89	85,392.68	7.89	57,547.48	5.75	35,248.69	4.64
Mail.....	35,857.69	2.15	58,108.19	3.66	41,521.18	3.83	40,837.37	4.08	41,335.02	5.44
Express.....	42,142.00	2.53	42,744.72	2.70	39,944.59	3.69	37,367.27	3.73	24,502.07	3.23
Milk.....	25,670.61	1.54	19,572.44	1.23	14,122.76	1.30	12,203.30	1.22	8,402.13	1.11
Other Sources.....	20,415.10	1.22	17,345.92	1.10	14,309.08	1.32	13,317.66	1.33	10,823.17	1.42
Total.....	\$1,668,742.83	100 %	\$1,586,301.94	100 %	\$1,082,774.02	100 %	\$1,000,892.10	100 %	\$ 759,894.83	100 %
EXPENSES										
Maint. Way and Structures	324,102.51	26.16	401,076.74	31.48	302,397.07	31.50	168,940.90	22.99	136,571.16	22.51
Maintenance Equipment.....	322,663.60	26.05	337,380.72	26.48	196,820.03	20.50	170,248.56	23.17	121,995.50	20.11
Traffic.....	24,220.41	1.94	26,479.15	2.08	24,144.34	2.52	19,084.24	2.60	15,102.75	2.49
Transportation.....	537,529.20	43.39	483,633.84	37.97	407,446.88	42.45	326,289.48	44.40	284,184.48	46.84
General.....	70,649.62	5.70	75,073.91	5.89	66,387.53	6.92	53,122.25	7.23	49,117.98	8.09
Transportation for Investment—Cr.....	40,168.44	3.24	49,633.62	3.90	37,294.86	3.89	2,819.17	.39	183.87	.04
Total.....	\$1,238,996.90	100 %	\$1,274,010.74	100 %	\$ 959,900.99	100 %	\$ 734,866.26	100 %	\$ 606,788.00	100 %
Net Earnings.....	429,745.93	25.75	312,291.20	19.68	122,873.03	11.35	266,025.84	26.58	153,106.83	20.15
Taxes.....	130,616.03	7.83	103,237.43	6.51	91,649.69	8.46	70,731.10	7.07	50,001.27	6.58
Net Earnings, Less Taxes.....	299,129.90	17.93	209,053.77	13.18	31,223.34	2.88	195,294.74	19.51	103,105.56	13.57

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1932 COMPARED WITH 1931

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence.....	\$ 11,362.35		\$ 3,207.35
Roadway Maintenance.....	19,508.12	\$ 273.01	
Bridges, Trestles and Culverts.....	2,276.23	1,767.12	
Ties.....	27,683.61		6,020.74
Rails.....	* .03	105.67	
Other Track Material.....	7,589.34		2,131.25
Ballast.....	130.92	78.82	
Track Laying and Surfacing.....	44,484.12		11,978.00
Right-of-way Fences.....	1,460.83		1,452.72
Snow and Sand Fences and Snowsheds.....	19.00		8.00
Crossings and Signs.....	2,104.17	304.96	
Station and Office Buildings.....	900.38		4,226.29
Roadway Buildings.....	740.94	355.21	
Water Stations.....	2,647.33	1,283.46	
Fuel Stations.....	373.06		31.07
Shops and Enginehouses.....	1,458.69		3,168.32
Telegraph and Telephone Lines.....	1,956.14		403.62
Signals and Interlockers.....	84.12		603.84
Miscellaneous Structures.....	16.65	16.65	
Roadway Machines.....	2,651.35		82.85
Small Tools and Supplies.....	2,763.12		494.93
Removing Snow, Ice and Sand.....	2,487.95		2,317.60
Assessments for Public Improvements.....			34.40
Injuries to Persons.....	1,483.54	210.74	
Insurance.....	1,237.04		134.62
Stationery and Printing.....	243.82		44.07
Maintaining Joint Tracks, Yards and Other Facilities—Dr.....	1,097.48		317.72
Maintaining Joint Tracks, Yards and Other Facilities—Cr.....	189.11	107.99	
Total.....	\$136,571.16		\$ 32,369.74

*Credit.

TABLE F—(Continued)

MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence.....	\$ 12,178.30		\$ 452.42
Shop Machinery.....	418.63		440.50
Steam Locomotives—Repairs.....	26,067.84		21,898.28
Other Locomotives—Repairs.....	112.97	\$ 109.20	
Other Locomotives—Depreciation.....	745.20		
Freight Train Cars—Repairs.....	37,369.38		21,669.85
Freight Train Cars—Retirements.....	*1,873.61	192.32	
Passenger Train Cars—Repairs.....	18,243.70		2,082.58
Passenger Train Cars—Depreciation.....	6,907.32		
Passenger Train Cars—Retirements.....	898.12	898.12	
Motor Equipment of Cars—Repairs.....	6,782.18		1,304.34
Motor Equipment of Cars—Depreciation.....	7,449.00		
Work Equipment—Repairs.....	158.12		424.33
Work Equipment—Depreciation.....	3,784.52		402.28
Work Equipment—Retirements.....	* 89.31		72.04
Miscellaneous Equipment—Repairs.....	126.09		.09
Miscellaneous Equipment—Depreciation.....	439.65	135.16	
Miscellaneous Equipment—Retirements.....	43.12		17.87
Injuries to Persons.....	1,151.37		55.17
Insurance.....	1,164.96	3.07	
Stationery and Printing.....	267.90		103.33
Maintaining Joint Equipment at Terminals—Dr.	128.09		740.87
Maintaining Joint Equipment at Terminals—Cr.	478.04		73.02
Total.....	\$121,995.50		\$ 48,253.06

TRAFFIC

Superintendence.....	\$ 8,881.55		\$ 742.20
Advertising.....	228.50	\$ 73.46	
Traffic Associations.....	2,114.00		1,106.56
Insurance.....	5.47	3.85	
Stationery and Printing.....	3,873.23		2,210.04
Total.....	\$ 15,102.75		\$ 3,981.49

TRANSPORTATION—RAIL LINE

Superintendence.....	\$ 16,566.51		\$ 2,148.10
Dispatching Trains.....	8,807.53		255.09
Station Employees.....	51,567.92		8,295.11
Weighing, Inspection and Demurrage Bureaus.....	402.22		112.03
Station Supplies and Expenses.....	2,692.78		611.37
Yardmasters and Yard Clerks.....	7,787.28		1,511.24
Yard Conductors and Brakemen.....	7,301.34		3,688.15
Yard Enginemen.....	5,572.87		2,662.40
Fuel for Yard Locomotives.....	5,547.98		1,384.77
Water for Yard Locomotives.....	595.61	\$ 64.25	
Lubricants for Yard Locomotives.....	166.71	.92	
Other Supplies for Yard Locomotives.....	54.91		36.48
Enginehouse Expenses—Yard.....	3,374.81		1,748.56

*Credit.

TABLE F—(Continued)

	Amount	Increase	Decrease
Yard Supplies and Expenses.....	\$ 441.45	\$ 147.23	
Train Enginemen.....	29,137.14		\$ 2,765.99
Train Motormen.....	4,882.08		1,723.50
Fuel for Train Locomotives.....	38,781.86		5,326.09
Water for Train Locomotives.....	2,766.05		151.50
Lubricants for Train Locomotives.....	1,431.96	88.15	
Other Supplies for Train Locomotives.....	413.83		65.18
Enginehouse Expenses—Train.....	22,005.50		105.83
Trainmen.....	35,749.60		5,687.18
Train Supplies and Expenses.....	19,635.78		2,317.00
Crossing Protection.....	243.97	13.25	
Drawbridge Operation.....	3,607.64	665.78	
Telegraph and Telephone Operation.....	2,407.81		506.30
Stationery and Printing.....	2,783.13		71.37
Other Expenses.....	76.93	22.60	
Insurance.....	355.61		36.27
Clearing Wrecks.....	512.70	380.02	
Damage to Property.....	313.90		83.61
Damage to Live Stock on Right-of-Way.....	10.46		317.85
Loss and Damage—Freight.....	6,870.70	1,914.95	
Injuries to Persons.....	859.27		913.65
Operating Joint Yards and Terminals—Dr.....	7,024.55		4,397.49
Operating Joint Yards and Terminals—Cr.....	5,409.51		1,739.44
Operating Joint Tracks and Facilities—Dr.....	611.27	71.29	
Operating Joint Tracks and Facilities—Cr.....	1,767.67	290.77	
Total.....	\$284,184.48		\$ 42,105.00

GENERAL

Salaries and Expenses of General Officers.....	\$ 6,355.11		\$ 937.22
Salaries and Expenses of Clerks and Attendants.....	22,097.66		4,837.64
General Office Supplies and Expenses.....	1,262.67		140.44
Law Expenses.....	9,748.35	\$ 643.55	
Insurance.....	127.63	27.11	
Pensions.....	7,135.00	711.66	
Stationery and Printing.....	1,897.76	76.63	
Valuation Expenses.....	68.01		33.01
Other Expenses.....	425.79	485.09	
Total.....	\$ 49,117.98		\$ 4,004.27

SUMMARY

Maintenance of Way and Structures.....	\$136,571.16		\$ 32,369.74
Maintenance of Equipment.....	121,995.50		48,253.06
Traffic.....	15,102.75		3,981.49
Transportation—Rail Line.....	284,184.48		42,105.00
General.....	49,117.98		4,004.27
Transportation for Investment—Cr.....	183.87		2,635.30
Total Operating Expenses.....	\$606,788.00		\$128,078.26

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1932

MAIN LINE

North Bay City to Cheboygan.....	195.10
One-half Undivided Ownership—Foss to North Bay City.....	.26

BRANCHES

Omer to AuGres	7.95
National City to Prescott	12.26
Alabaster Junction to Alabaster	4.27
Hillman Junction to Emerson	10.38
Rogers City Junction to Rogers City.....	14.33
<hr/>	
Total	49.19
Total Main Line and Branches.....	244.55
Yard Tracks and Sidings.....	64.47
<hr/>	
Total, all tracks (Miles).....	309.02

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

	1932	Per	1931	Per
<i>Products of Agriculture:</i>	Tons	Cent	Tons	Cent.
Grain	997	.2	875	.1
Flour	2,465	.5	2,645	.4
Other Mill Products	151	.....	1,269	.2
Hay and Straw	15	.....	5,980	1.0
Potatoes	16,887	3.2	13,035	2.1
Dried Fruits and Vegetables.....	5,852	1.1	6,941	1.1
Sugar Beets	22,746	4.4	19,478	3.1
Other Products of Agriculture	47	.....	3,815	.7
<hr/>				
Totals	49,160	9.4	54,038	8.7

TABLE H—(Continued)

	1932 Tons	Per Cent	1931 Tons	Per Cent.
<i>Animals and Products:</i>				
Live Stock	1,813	.3	3,113	.5
Wool	110	.....	115	.....
Hides and Leather	1,438	.3	1,302	.2
Other Animals and Products.....	328	.1	541	.1
Totals	3,689	.7	5,071	.8
<i>Products of Mines:</i>				
Anthracite Coal	426	.1	69	.....
Bituminous Coal	33,334	6.4	38,883	6.2
Coke	942	.2	1,298	.2
Clay, Gravel, Sand and Stone.....	268,826	51.3	281,366	45.4
Other Products of Mines.....	2,140	.4	2,992	.5
Totals	305,668	58.4	324,608	52.3
<i>Products of Forests:</i>				
Pulp Wood	6,473	1.2	8,279	1.3
Lumber	3,351	.6	17,331	2.9
Other Products of Forests.....	5,062	1.0	10,761	1.7
Totals	14,886	2.8	36,371	5.9
<i>Manufactures and Miscellaneous:</i>				
Refined Petroleum and Its Products.....	31,549	6.0	36,156	5.8
Sugar	240	.....	745	.1
Rails and Fastenings	303	.1	1,544	.2
Bar and Sheet Iron, Structural Iron, and Iron Pipe	1,594	.3	7,900	1.3
Castings, Machinery and Boilers.....	1,861	.4	3,194	.5
Cement	35,633	6.8	44,049	7.1
Brick and Artificial Stone.....	923	.2	2,173	.4
Lime and Plaster	11,725	2.2	21,119	3.4
Agricultural Implements	107	.....	588	.1
Automobiles and Auto Trucks	44	.....	33	.....
Household Goods and Furniture.....	74	.....	43	.....
Beverages	41	.....	107	.....
Fertilizers (all kinds)	3,877	.7	1,664	.3
Chemicals and Explosives	634	.1	985	.2
Canned Goods (all canned food products)	551	.1	645	.1
Paper Bags and Wrapping Paper.....	6,478	1.3	7,522	1.3
Other Manufactures and Miscellaneous	39,977	7.7	53,031	8.5
Totals	135,611	25.9	181,498	29.3
All L. C. L. Freight.....	14,512	2.8	18,607	3.0
Grand Total, Carload and L. C. L. Traffic	523,526	100 %	620,193	100 %

TABLE I

DETROIT AND MACKINAC RAILWAY COMPANY

FREIGHT STATISTICS

	1932	1931
Number tons revenue freight carried.....	523,526	620,193
Number tons non-revenue freight carried.....	27,882	56,256
Total number tons of freight carried.....	551,408	676,449
Number revenue tons carried one mile.....	33,776,000	46,973,098
Number all tons carried one mile.....	35,954,000	50,836,000
Number revenue tons carried one mile, per mile of road	139,524	194,040
Number tons all freight carried one mile, per mile of road	148,521	209,997
Average distance haul of one ton revenue freight (miles)	64.52	75.74
Average distance haul of one ton all freight (miles)	65.20	75.14
Total freight revenue	\$ 639,583.75	\$ 839,619.02
Average amount received for each ton of freight	1.22168	1.35377
Average receipts, per ton, per mile.....	.01894	.01787
Freight revenue, per mile of road.....	2,642.03	3,468.35
Freight revenue, per train mile.....	6.74	6.66
Average number of revenue tons, per train mile	355.70	372.81
Average number of all tons, per train mile.....	378.64	403.46
Average number of all tons, per loaded car mile	21.22	22.73
Average number of cars, per train mile.....	31.8	31.6

PASSENGER STATISTICS

Number of passengers carried.....	14,453	23,523
Number of passengers carried one mile.....	1,010,000	1,577,000
Number of passengers carried one mile, per mile of road	4,172	6,514
Average distance each passenger carried (miles)	69.88	67.04
Passenger revenue	\$ 35,248.69	\$ 57,547.48
Average amount received from each passenger	2.438	2.446
Average receipts, per passenger, per mile.....	.03490	.03649
Total passenger train earnings.....	112,222.58	151,332.31
Passenger earnings, per mile of road.....	463.58	625.13
Passenger earnings, per train mile.....	.49	.66
Average number of passengers, per train mile	4.42	6.88

OPERATING STATISTICS

Gross revenue from operation.....	\$ 759,894.83	\$1,000,892.10
Gross revenue from operation, per mile of road	3,139.02	4,134.55
Operating expenses	606,788.00	734,866.26
Operating expenses, per mile of road.....	2,506.56	3,035.63
Operating expenses, per train mile.....	1.87	2.07
Net operating revenues	153,106.83	266,025.84
Net operating revenues, per mile of road.....	632.46	1,098.92
Ratio of expenses to earnings.....	79.85	73.42

TABLE J

DETROIT AND MACKINAC RAILWAY COMPANY

EQUIPMENT

<i>Locomotives:</i>	1931	1932
Passenger	6	7
Freight	11	11
Switching	6	5
Totals	23	23
<i>Passenger Cars:</i>		
Coaches	8	8
Cafe	1	1
Parlor	1	1
Gas Electric Combination Passenger, Baggage and Mail	2	2
Combination Passenger and Baggage	4	4
Combination Baggage and Mail	2	2
Baggage and Express Cars	19	18
Express Refrigerators	3	3
Totals	40	39
<i>Freight Cars:</i>		
Box	336	328
Flat	102	100
Stock	47	47
Coal Cars	382	382
Refrigerator	6	6
Caboose Cars	11	11
Totals	884	874
<i>In Company's Service:</i>		
Officers	1	1
Ballast	6	6
Derrick Cars	1	1
Flangers	11	11
Snow Plow	1	1
Jordan Spreader	1	1
Industrial Crane	1	1
Other Road Cars	48	47
Totals	70	69
<i>Summary:</i>		
Total Number of Locomotives Owned	23	23
Total Number of Cars Owned	994	982

TABLE K

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF TRACKS BUILT AND TAKEN UP DURING
YEAR 1932

TRACKS BUILT

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Miles	Feet
1798	Track No. 95-A.....	Tawas Beach		1108.5
1799	Extend Track No. 92	Tawas Beach		90
1802	Track No. 2-A	Paxton		379
1803	Track No. 224-A	Waveland		330
1810	Track No. 2-B	Paxton		2013.5
Total.....				3921

TRACKS TAKEN UP

Track Order	YARD TRACKS, SIDINGS AND SPURS	Location	Miles	Feet
1797	Back End Track No. 255-A.....	Cheboygan		120
1800	Back End Track No. 95-A.....	Tawas Beach		399.5
1801	Track No. 2	Paxton		1012
1804	Track No. 3	Mills		1142
1807	Back End Round House Track No. 3.....	Tawas Shop		220
1809	Part Track No. 169.....	Big Cut		1600
2065	Tracks in Huron Portland Cement Co. Yd.....	Alpena	1	292
	Remeasurement of Tracks	Various	5	1615
	Remeasurement of M. C.-D. & M. Tracks.....	Cheboygan		739
Total.....			7	1859.5

SUMMARY

	Miles
Tracks Taken Up	7.35
Tracks Built .....	.74
Net Decrease	6.61

